

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

August 25, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF#97MD-122
MAUI

Rescind Prior Board Action of September 27, 1996 (D-20),
Request by the Veterans of Foreign Wars for Cancellation of
Revocable Permit No. S-4892 and the Direct Issuance of a
General Lease for Eleemosynary Purposes, Kihei, Maui, Tax
Map Key: (2) 3-9-7:3

BACKGROUND:

At its September 27, 1996 meeting, under agenda Item D-20, the Land Board authorized the cancellation of Revocable Permit No. S-4892, direct lease to the Veterans of Foreign Wars, Wilbert Wa Hu Tom Post No. 3850 and waived the performance bond provision in the new lease. Revocable Permit No. S-4892 was issued on December 1, 1972. VFW built a clubhouse on the property. VFW made the clubhouse available to elementary schools, Cub Scouts, Boy Scouts, Veterans organizations and various other groups. Exhibit A.

REMARKS:

Due to the advancing age of the VFW members, staff had difficulty in finalizing the new lease. Mayor Alan Arakawa of the County of Maui was supportive of the VFW and their facility, and requested control over the property. The County's intent was to then negotiate a long-term lease with the VFW so that they can continue to have this facility to share with the community. At its September 24, 2004 meeting, under agenda Item D-9, the Land Board approved to recommend to the Governor the issuance of a set aside to the County of Maui, for a Veterans Center and community support activities. The Governor on November 29, 2004 signed Executive Order No. 4087. Subsequently, Revocable Permit No. S-4892 was turned over to the County of Maui to manage.

Based on this information, staff is requesting the Land Board to rescind its prior approval.

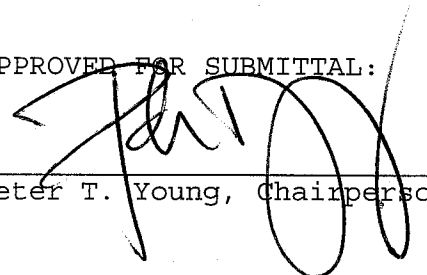
RECOMMENDATION: That the Board:

- A. Rescind the prior Board action of September 27, 1996, under agenda Item D-20.

Respectfully Submitted,


Daniel Ornellas
Maui District Land Agent

APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson

State of Hawaii
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Land Management Branch
Honolulu, Hawaii 96813

September 27, 1996

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

MAUI

REQUEST BY THE VETERANS OF FOREIGN WARS FOR
CANCELLATION OF REVOCABLE PERMIT NO. S-4892
AND THE DIRECT ISSUANCE OF A GENERAL LEASE
FOR ELEEMOSYNARY PURPOSES INVOLVING
STATE LAND IDENTIFIED BY TAX MAP KEY:
3-9-07: 03, PORTION WAIHOLI-KEOKEA
BEACH HOMESTEADS, KIHAI, MAUI.

STATUTE: Chapter 171-43.1, Hawaii Revised Statutes, as amended.

APPLICANT: VETERANS OF FOREIGN WARS, Wilbert Wa Hu Tom Post 3850

LOCATION: Government land identified as a Portion of Waiohuli-Keokea Beach Homesteads, Kihei, Maui, designated by Tax Map Key: 3-9-07: 03, as shown outlined in red on the map labeled Land Board Exhibit "A", appended to the basic file.

AREA: 0.398 acre, more or less.

STATUS OF LAND TITLE: Subsection 5(b) lands.

STATUS: Currently under Revocable Permit No. S-4892 to the Veterans of Foreign Wars for club activity purposes.

PURPOSES: Eleemosynary (club activity) use.

TERM: Thirty-five (35) years, commencement date to be determined by the Chairperson.

ANNUAL RENTAL: Nominal consideration (based on twenty percent [20%] of fair market rental as determined by an independent appraisal).

METHOD OF PAYMENT: Semi-annually in advance.

RENTAL REOPENING: At the end of the 10th, 20th and 30th years of the lease term.

UTILITIES: All available.

SOIL: Catano-Pulehu soil series, slope is 0 to 10%, predominantly 3%.

ELEVATION: 0 to 100 feet.

Exhibit A

ITEM D-20

RAINFALL:

10 to 30 inches.

IMPROVEMENTS:

The subject site currently contains a club house measuring approximately 1,458 sq. ft., an 817 sq. ft. roofed open patio and a storage room measuring approximately 121 sq. ft. The remaining area has been landscaped and adequately maintained during the term of the revocable permit.

**CHAPTER 343 -
ENVIRONMENTAL
ASSESSMENT:**

The lease use does not differ from its past use under Revocable Permit No. S-4892. Therefore, pursuant to Section 11-200-8 (1), Exempt Classes of Action of the Environmental Impact Statement Rules, this action does not involve a change of use beyond that previously existing. Accordingly, based on the foregoing information, it is recommended that the Board declare this use as exempt from the preparation of an environmental assessment and acquisition of a negative declaration.

REMARKS:

The subject premises is utilized by the Veterans of Foreign Wars as a club house. The objectives of the organization as set forth by their by-laws are fraternal, patriotic, historical and educational. The organization is dedicated to the concept of educating veterans and their families to maintain true allegiance to the government of the United States of America, as the youth of these families will be the future leaders of tomorrow.

The organization has made the premises available to elementary schools, the Cub Scouts, Boy Scouts, Veterans organizations and various other groups for use of their facility. This disposition will not change if the subject lease is issued.

In addition, since the organization has invested a large amount of funding for the construction of their facility and landscape maintenance, it is recommended to the Board that the performance bond requirement of the lease be waived with the understanding that the State reserves the right to reactivate or reimpose the performance bond, if necessary, at any time throughout the terms of the subject lease.

RECOMMENDATION:

That the Board:

- A. Find that the subject area to be an economic unit in terms of its present and intended use.
- B. Find that the club house activity use is exempt from obtaining a negative declaration pursuant to Section 11-200-8 (1), Exempt Classes of Action of the Environmental Impact Statement Rules.
- C. Authorize the cancellation of Revocable Permit No. S-4892 with the termination date to coincide with the issuance date of the subject lease.

Exhibit A

D. Authorize the direct sale of a lease to the Veterans of Foreign Wars, Wilbert Wa Hu Tom Post No. 3850, covering the above described area for eleemosynary (club activity) use under the above listed terms and conditions which are this reference incorporated herein including the following terms and conditions:

1. Applicant shall charge no rent for the use of the facility.
2. Applicant shall comply with all applicable rules, regulations, ordinances and statutes of the Federal, State and County governments relative to the use of the property.
3. Other terms and conditions covering leases of this nature.
4. Such other terms and conditions as may be prescribed by the Chairperson.

E. Grant a waiver of the performance bond provision contained in the lease document with the understanding that the State reserves the right to reactivate or reimpose the performance bond, if necessary, at any time throughout the terms of the subject lease.

Respectfully submitted,


PHILIP OHTA
Maui District Land Agent

APPROVED FOR SUBMITTAL:

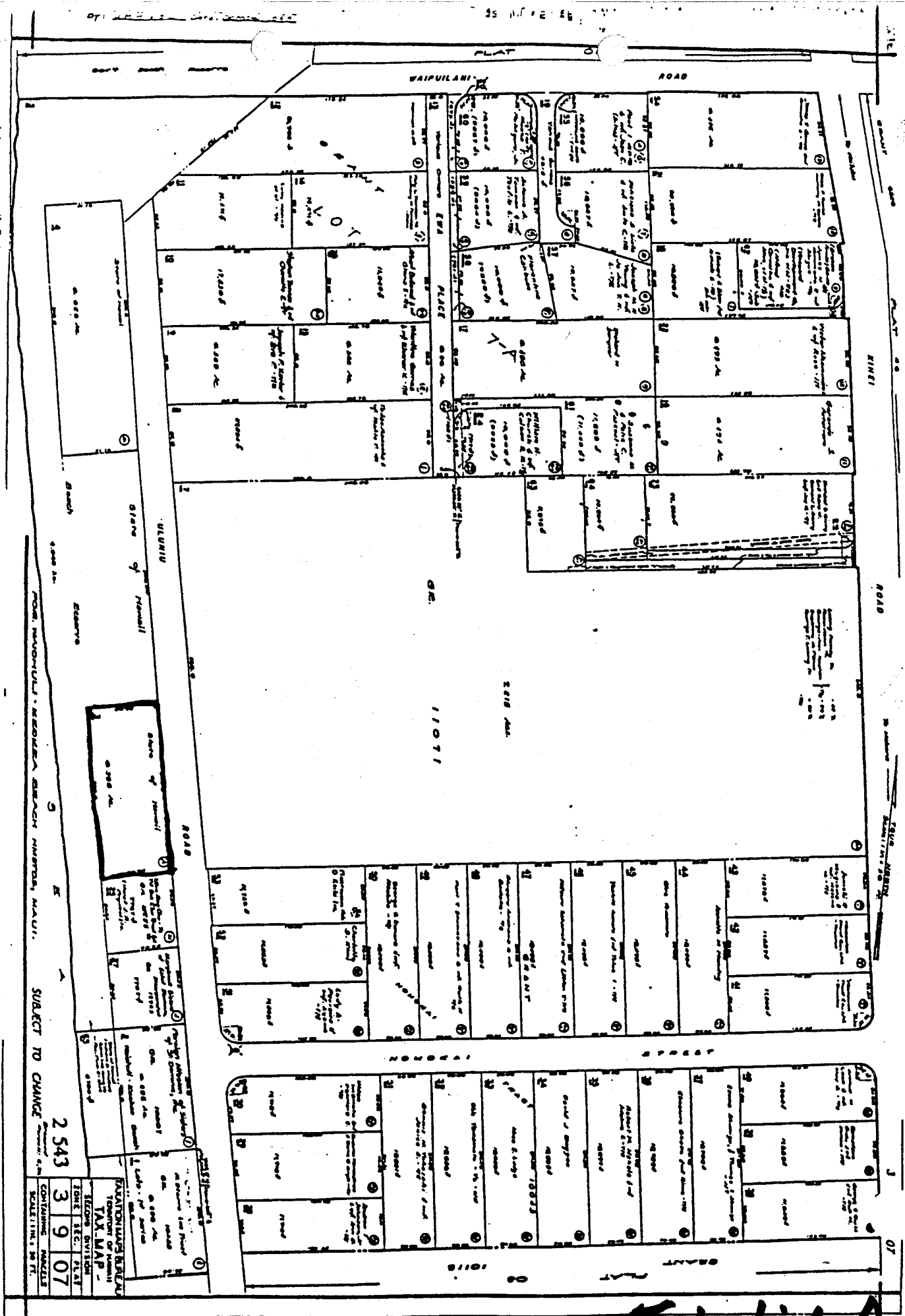

MICHAEL D. WILSON, Chairperson

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON

9-27-96

Exhibit A

LAND BOARD EXHIBIT A



FOR WAIPULANI BEACH HOTEL, MAUI. SUBJECT TO CHANGE

2543

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FAVORABLE REAL
TAX MAP -
TOWN OF WAIPULANI

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Exhibit A